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## CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

9

COUNTRY

Czechoslovakia

CONFIDENTIAL

DATE: 25X1X6

INFO.

SUBJECT

Relations between Bata-Zlin and Bata-World

DIST.

31 October 1946

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PAGES

SUPPLEMENT

ORIGIN

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1. In May 1946 a delegation from the Czechoslovak Leather Industrial Association,

1. In May 1946 a delegation from the Czechoslovak Leather Industrial Association, a government body, under which the Bata-Zlin enterprises are grouped, negotiated an agreement in London with the Bata-World enterprises headed by Thomas Bata, Jr. Under its terms, the outside Bata organizations agreed to ship raw materials to Zlin in return for shoe machinery and finished shoes.

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2。

worth of leather and tanning materials have already been delivered to Zlin, but nothing as yet has been offered in payment therefor. Indications are that the two Bata organizations are again engaged in a struggle for world markets. Part of the agreement negotiated in May called for Bata-Zlin to respect British-Bata Ltd. retailing rights in Great Britain. Shortly thereafter, however, Zlin set up a Czechoslovak-Bata company in England which eventually was to retail Zlin shoes. British-Bata Ltd. reacted immediately and obtained a temporary injunction in British courts on grounds of infringement against the use of the name Bata already registered in England by British-Bata Ltd.

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reighborhood of 400,000 pairs of shoes per week with 27,000 workers employed. Their most serious shortage is in rubber. A long negotiation with the Russians for Buna was ended this week by a terse Russian reply that no more Buna would be delivered until Zlin fulfilled an order for  $2\frac{1}{2}$  million pairs of shoes placed by the Russians. Another problem with Zlin involves the disposal of a huge stock of wooden soled shoes, for which markets are being sought in the Balkans and the Far East.

This document is hereby regraded to CONT. SENTIAL in accordance with the letter of the October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Next Review Date: 2003

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